

**NEUSTRADA CAPITAL, LLC**  
**PART 2A OF FORM ADV: FIRM BROCHURE**

**NeuStrada Capital, LLC**  
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**This brochure provides information about the qualifications and business practices of NeuStrada Capital, LLC (“Neustrada” or the “Firm”). If you have any questions about the contents of this brochure, please contact us at (646) 291-8822 or [gcatenacci@neustrada.com](mailto:gcatenacci@neustrada.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**For “Registered Investment Advisers”: “Any reference to Neustrada as a registered investment adviser does not imply a certain level of skill or training.**

**Additional information about Neustrada also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

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***Item 2: Material Changes***

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Not Applicable.

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*Item 3: Table of Contents*

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**Item 4: Advisory Business**

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**Item 4.A.**

NeuStrada Capital, LLC (“**Neustrada**” or the “**Firm**”), a Delaware limited liability company, was formed in February 2010 by Gerald Catenacci. Mr. Catenacci is the sole owner of Neustrada.

**Item 4.B.**

Neustrada is an investment management firm that provides advisory services to Mr. Catenacci’s proprietary account (“**Neustrada Account**”) and offers non-discretionary investment advice to a separately managed account (“**Separate Account**,” together with the Neustrada Account, the “**Advisory Clients**”).

The Firm’s investment objective is to achieve above-average capital appreciation by investing in a broad spectrum of investment opportunities.

Neustrada does not offer advice with respect to a limited type of investments.

**Item 4.C.**

The Firm has full discretion over the Neustrada Account and by default, Mr. Catenacci will tailor the investment program according to his or the Firm’s specific needs, or investment objective.

Neustrada does not have discretionary authority over the Separate Account; therefore, the Separate Account may request services tailored to the needs of the Separate Account.

**Item 4.D.**

Neustrada does not participate in a wrap fee program.

**Item 4.E.**

As of March 19, 2012, Neustrada manages approximately \$50 million in the Neustrada Account on a discretionary basis, and approximately \$200 million in the Separate Account on a non-discretionary basis.

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**Item 5: Fees and Compensation**

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**Item 5.A.**

Neustrada is paid a management fee by the Separate Account in an amount equal to salary, rent, travel, conference fees and all other overhead costs set forth in a budget plus a certain amount of budget overruns.

Neustrada is generally entitled to a performance fee from the Separate Account based on performance results from investment advice given at year end, subject to loss carry-forward provisions.

**Item 5.B.**

Neustrada does not deduct fees from client accounts. It is the Firm's policy to invoice the Separate Account for expenses.

**Item 5.C.**

All extra costs part of expense reimbursement, as described above in Item 5A.

**Item 5.D:**

An estimate of fees and expenses for the quarter, are paid to Neustrada in advance of such calendar quarter.

**Item 5.E.**

Not Applicable.

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***Item 6: Performance-Based Fees and Side-by-Side Management***

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Neustrada only accepts performance-based fees from the Separate Account. As a result, Neustrada does not face certain conflicts that may arise when an investment manager accepts performance-based compensation from some clients, but not others.

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***Item 7: Types of Clients***

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Neustrada provides discretionary advisory services to the Neustrada Account and non-discretionary investment advice to a registered investment adviser through a Separate Account, as more fully described in Item 4.B.

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***Item 8: Methods of Analysis, Investment Strategies and Risk of Loss***

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**Item 8.A.**

In order for Neustrada to achieve its objective of capital appreciation, the Firm utilizes big-picture macro of trends and analysis of the securities industry to determine which securities to invest in.

Investing in securities involves risk of loss, and past performance is not necessarily indicative of future results.

## **Item 8.B and Item 8.C.**

*General Economic and Market Conditions.* The success of the Firm's investment activities may be affected by general economic and market conditions such as: interest rates, availability of credit, inflation rates, economic uncertainty, changes in foreign and domestic laws, national and international political circumstances. These factors may affect the value, volatility and liquidity of the Firm's suggested investments. Unexpected volatility or illiquidity could impair profitability or result in losses. None of these factors are within the control of Neustrada.

*Short Sales.* The Firm may engage in or recommend selling securities short on behalf of its Advisory Client accounts. A short sale will result in a gain if the price of the securities sold short declines between the date of the short sale and the date on which securities are purchased to replace those borrowed. A short sale will result in a loss if the price of the securities sold short increases. Any gain is decreased, and any loss is increased, by the amount of any payment, dividend or interest that may be required to pay with respect to the borrowed securities, offset (wholly or partly) by short interest credits. In a generally rising market, short positions may be more likely to result in losses because securities sold short may be more likely to increase in value. A short sale involves a finite opportunity for appreciation, but a theoretically unlimited risk of loss. To make a short sale, the Firm or Separate Account must borrow the securities being sold short. It may be impossible for the Firm or the Separate Account to borrow securities at the most desirable time to make a short sale, particularly in illiquid securities markets. In addition, there are rules prohibiting short sales of securities at prices below the last sale price, which may prevent the Firm or the Separate Account from executing short sales of securities at the most desirable time. If the prices of securities sold short increase, the Firm or the Separate Account may be required to provide additional funds or collateral to maintain the short positions. This could require the Firm or the Separate Account to liquidate other investments to provide additional margin, and such liquidations might not be at favorable prices. Further, the lender of securities can request return of the borrowed securities and the Firm or the Separate Account may not be able to borrow those securities from other lenders. Consequently, this will cause a "buy-in" of the short position, which may be disadvantageous to the Firm's Advisory Client accounts.

*Options.* The Firm may invest in or recommend options on behalf of its Advisory Client accounts. The trading of options is highly speculative and may entail risks that are greater than those present when investing in other securities. Prices of options are generally more volatile than prices of other securities. The Firm speculates on market fluctuations of securities and securities exchange indices while investing, or suggesting the Separate Account invest, only a small percentage of the value of the securities underlying the option. A change in the market price of the underlying securities or underlying market index will cause a much greater change in the price of the option contract. In addition, to the extent that the Firm or the Separate Account purchases options that it does not sell or exercise, it will suffer the loss of the premium paid in such purchase. To the extent that the Firm or the Separate Account sells options and must deliver the underlying securities at the option price, the Firm or the Separate Account has a theoretically unlimited risk of loss if the price of such underlying securities increases. To the extent that the Firm or the Separate Account must buy the underlying securities, the Firm or the Separate Account risks the loss of the difference between the market price of the underlying securities and the option price. Any gain or loss derived from the sale or exercise of an option will be reduced or increased, respectively, by the amount of the premium paid. The expenses of option investing include commissions payable on the purchase and on the exercise or sale of an option. Stock or index options that may be purchased or sold by the Firm or the Separate Account include options not traded on a securities exchange. A decision as to whether, when and how to use options involves the exercise of skill and judgment which are different from those needed to select portfolio securities, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior, currency fluctuations or interest rate trends. If the Firm is incorrect in its forecasts regarding market values or other relevant factors, the Firm and the Separate Account may be in a worse position than if the Firm had not engaged, or not suggested the Separate Account engage, in options transactions. The potential loss incurred by the Firm and/or the

Separate Account in writing uncovered options is unlimited. When options are used as a hedging technique, there can be no guaranty of a correlation between price movements in the option and in the portfolio securities being hedged. A lack of correlation could result in a loss on both the hedged securities and the hedging vehicle, so that the Firm's and/or Separate Account's return might have been better had hedging not been attempted.

*Derivative Instruments: Counterparty Risk.* Some of the markets in which the Firm effects its derivative transactions, or suggest to the Separate Account, are "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. This exposes the Firm and the Separate Account to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a credit or liquidity problem with the counterparty. Delays in settlement may also result from disputes over the terms of the contract (whether or not bona fide) since such markets may lack the established rules and procedures for swift settlement of disputes among market participants found in "exchange-based" markets. These factors may cause the Firm to suffer a loss due to adverse market movements while replacement transactions are executed or otherwise. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Firm and/or Separate Account has concentrated its transactions with a single or small group of counterparties. These derivative instruments may also be difficult to value accurately. Any misevaluation could adversely affect the Firm and the Separate Account.

*Leverage/Use of Margin.* The Firm may invest, or suggest the Separate Account invest, on margin and may employ other leveraging strategies (such as the use of derivatives), which can increase profit potential, but at the same time increase risk of loss and volatility. In addition, margin trading requires the pledge of Firm or Separate Account securities as collateral, and margin calls can result in the Firm or the Separate Account being required to pledge additional collateral or in liquidation of the Firm's or Separate Account's holdings, which may require selling portfolio securities at substantial losses that would not otherwise be realized.

*Securities Lending and Borrowing.* The Firm on behalf of its Advisory Client accounts may lend or suggest to lend securities to securities brokers and other institutions as a means of earning additional income, or borrow securities from securities brokers or other institutions to enable short sales. If the other party becomes insolvent or bankrupt, the Firm or the Separate Account could experience delays and costs in recovering payment or the securities. To the extent that, in the meantime, the value of securities change, the Firm or the Separate Account could experience further losses. Security loans must be fully collateralized, and the Firm or Separate Account must be satisfied with the creditworthiness of the other party to the transaction.

*Repurchase Agreements.* The Firm may enter into, or suggest the Separate Account enter into, repurchase agreements, by which it buys a security and simultaneously agrees to sell it back later at a higher price, or in reverse repurchase agreements, by which the Firm or the Separate Account sells a security and simultaneously agrees to buy it back later at a higher price. The repurchase date is usually within 7 days of the initiation of the agreement. If the other party to a repurchase or reverse repurchase agreement becomes insolvent or bankrupt, the Firm or the Separate Account may experience delays and incur costs in recovering payment or the securities. To the extent that the value of the security purchased changes in the meantime, the Firm or the Separate Account could experience further losses. Repurchase agreements to which the Firm or the Separate Account is a party must be fully collateralized by Firm or Separate Account securities. Repurchase and reverse repurchase agreements can have effects similar to margin trading and other leveraging strategies.

*General Risks of Non-U.S. Investments.* The Firm on behalf of Advisory Client accounts may invest, or suggest the Separate Account to invest, in securities of non-U.S. companies, which may be denominated in U.S. or non-U.S. currencies and involve unusual risk not typically associated with investing in United

States companies. The Firm or Separate Account may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rate between such currencies and the U.S. dollar. Moreover, individual non-U.S. economies may differ favorably or unfavorably from the United States economy in growth of gross national product, rate of inflation, rate of savings and capital reinvestment, resource self-sufficiency and balance of payments positions, and in other respects. With respect to some non-U.S. countries, there is the possibility of expropriation or confiscatory taxation, limitations on the removal of funds or other assets of the Firm's or Separate Account's accounts, political or social instability, or diplomatic developments that could materially and adversely affect the value and marketability of the Firm's or Separate Account's investments in those countries. The securities of non-U.S. issuers held by the Firm or the Separate Account are generally not registered under, nor are the issuers thereof subject to the reporting requirements of, the U.S. securities laws and regulations. Accordingly, there may be less publicly available information about the securities and about the non-U.S. company or government issuing them or the non-U.S. board of trade clearing them than is available about a U.S. domestic company, government entity or board of trade. Non-U.S. companies and non-U.S. boards of trade are not generally subject to accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to U.S. companies. Further, non-U.S. government supervision of stock exchanges, boards of trade, securities brokers and issuers of securities is generally less stringent than supervision in the U.S. These investments may also be subject to withholding taxes imposed by the applicable country's taxing authority.

*Limited Liquidity of Investments.* Securities in which the Firm invests, or suggests to the Separate Account to invest, may be thinly traded and relatively illiquid or may cease to be traded after the Firm or Separate Account invests. The Firm or Separate Account may also acquire significant positions in some securities. In such cases and in the event of extreme market activity, the Firm or Separate Account may not be able to liquidate its investments promptly if the need should arise. In addition, the Firm's or Separate Account's sales of thinly traded securities could depress the market value of such securities and thereby reduce the Firm's or Separate Account's profitability or increase its losses. Such circumstances or events could affect materially and adversely the amount of gain or loss the Firm or Separate Account may realize. The Firm or Separate Account may also invest in restricted securities that are subject to substantial holding periods or that are not traded in public markets. Restricted securities generally are difficult or impossible to sell at prices comparable to the market prices of similar securities that are publicly traded. No assurance can be given that any such restricted securities will be eligible to be traded on a public market even if a public market for securities of the same class were to develop. It is highly speculative as to whether and when an issuer will be able to register its securities so that they become eligible for trading in public markets.

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***Item 9: Disciplinary Information***

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Not Applicable.

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***Item 10: Other Financial Industry Activities and Affiliations***

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***Item 10.A.***

Not Applicable. Neustrada is currently not applying to register as a broker-dealer and does not intend to.



**Item 10.B.**

Not Applicable. Neustrada, or any of its management persons, is not applying to register with the National Futures Association and does not intend to.

**Item 10.C.**

Neustrada currently does not have any financial industry affiliates.

**Item 10.D.**

Not Applicable. Neustrada and its supervised persons do not participate in the sale of securities or other related investment products of mutual funds.

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***Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading***

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**Item 11.A.**

Employees of Neustrada may only purchase and sell securities in accordance with the Firm's Code of Ethics to which all employees are subject, based on the nature of the relationship. This policy is monitored by the Chief Compliance Officer.

Employees are permitted to maintain personal brokerage accounts, subject to the Code of Ethics and personal trading policy.

The Code of Ethics includes the following points:

- A statement of the standard of business conduct.
- Limits on gifts and entertainment.
- Limits on political contributions
- An employee cannot knowingly purchase or sell for any personal account any security, directly or indirectly, in such a way as to adversely affect a client's transactions.
- An employee cannot directly or indirectly purchase or sell (long or short) for any personal account any shares of a security that is on the Firm's or the Separate Account's restricted list, to the extent a restricted list exists.
- Employees must pre-clear all private placements in their personal accounts.
- Employees must acknowledge in writing having received and read a copy of the Code of Ethics and Employee Trading Policy.
- Any exceptions to the above need prior approval of the Chief Compliance Officer.

A copy of the Firm's Code of Ethics is available to clients and prospective clients upon request.

**Item 11.B.**

Neustrada does not engage in principal transaction.

**Item 11.C.**

Mr. Catenacci makes all investment decisions for the Neustrada Account, and will often make investment recommendations to the Separate Account for investments that he will also make in the Neustrada Account.

Neustrada only provides non-discretionary investment advice to the Separate Account, as to which investments to invest in. The Separate Account has discretion over whether and when to make the investment(s) and the Separate Account selects the broker to execute the trade. Neustrada does not execute the trades on behalf of the Separate Account. The existence of the Neustrada Account, its investment strategy, and any potential conflicts of interest have been fully disclosed to the Separate Account. In addition, Neustrada is subject to the Separate Account's restricted list, and is subject to the same personal trading restrictions as the Separate Account.

**Item 11.D.**

Neustrada, as a fiduciary, endeavors to always make decisions in the best interest of the Advisory Clients if a conflict of interest arises. In order to prevent any conflict of interest, Neustrada does not trade ahead of the Separate Account.

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***Item 12: Brokerage Practices***

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**Item 12.A.1.**

The use of soft dollars is not applicable to the Separate Account, as Neustrada does not trading authority.

**Item 12.A.2.**

Neustrada does not participate in selecting or recommending broker-dealers in exchange for client referrals.

**Item 12.A.3.**

Directed brokerage is not applicable to Neustrada.

**Item 12.B.**

An aggregation and allocation policy is not applicable since the Firm does not executes trades on behalf of the Separate Account.

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***Item 13: Review of Accounts***

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**Item 13.A.**

Since Neustrada only manages its own account, and no outside clients, it does not review accounts.

**Item 13.B.**

Not Applicable.

**Item 13.C:**

Neustrada does not see the trades executed by the Separate Account client; therefore, does not provide any reports.

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***Item 14: Client Referrals and Other Compensation***

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**Item 14.A.**

Not applicable. Neustrada does not select or recommend broker-dealers for client transactions.

**Item 14.B.**

Not Applicable. The Firm currently does not retain third-party marketers or solicitors.

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***Item 15: Custody***

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Neustrada does not have custody of any third-party client assets.

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***Item 16: Investment Discretion***

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Neustrada has full discretion to manage the Neustrada Account; however since the account is a proprietary, no formal agreement is needed to grant discretionary authority.

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***Item 17: Voting Client Securities***

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**Item 17.A.**

Since Mr. Catenacci only manages his own assets on a discretionary basis, Neustrada has determined it is currently not applicable for the Firm to maintain a proxy voting policy, or recordkeeping.

**Item 17.B.**

Neustrada does not have the authority to vote the proxies of the Separate Account. The Separate Account votes on behalf of its own securities, and according to their own policy.

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***Item 18: Financial Information***

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Not Applicable.

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***Item 19: Requirements for State Registered Advisers***

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Not Applicable.